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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

OMB APPROVAL	
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## FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 ThereunderREPORT FOR THE PERIOD BEGINNING 01/01/02 AND ENDING 12/31/02  
MM/DD/YY MM/DD/YY

## A. REGISTRANT IDENTIFICATION

## NAME OF BROKER-DEALER:

Sanstrum &amp; Associates, Inc.

OFFICIAL USE ONLY

## ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

707 SW Washington Street, Suite 925

(No. and Street)

Portland

OR

97205

(City)

(State)

(Zip Code)

## NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Larry C Sanstrum

(503) 241-7430

(Area Code — Telephone No.)

## B. ACCOUNTANT IDENTIFICATION

## INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Williamson &amp; Associates, LLP

(Name — if individual, state last, first, middle name)

One SW Columbia, Suite 625 Portland

(Address)

(City)

OR

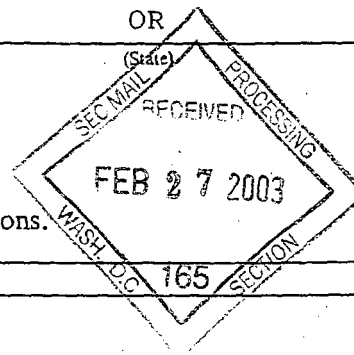
(State)

97258

(Zip Code)

## CHECK ONE:

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions.



PROCESSED

MAR 12 2003

THOMSON  
FINANCIAL

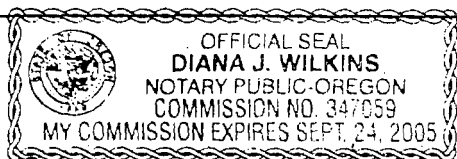
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

11-3-11

## OATH OR AFFIRMATION

I, Larry C Sanstrum, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Sanstrum & Associates, Inc., as of December 31, 20 02, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



*Diana J. Wilkins*

Notary Public

*[Signature]*

Signature

*President*

Title

This report\*\* contains (check all applicable boxes):

- ☒ (a) Facing page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☒ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



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SETTING A NEW STANDARD

To the Board of Directors  
Sanstrum & Associates, Inc.  
Portland, Oregon

We have audited the accompanying balance sheet of Sanstrum & Associates, Inc. as of December 31, 2002, and the related statements of operations, changes in stockholders' equity and cash flows for the year then ended, that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sanstrum & Associates, Inc. at December 31, 2002, and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information included in the accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities and Exchange Act of 1934. This information is the responsibility of the Company's management. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

*Williamson & Associates, LLP*

February 4, 2003

# SANSTRUM & ASSOCIATES, INC.

## BALANCE SHEET

December 31, 2002

### ASSETS

#### CURRENT ASSETS

Cash	
Commissions receivable	\$ 96,141
Income tax receivable	23,207
Deposit receivable	4,347
Prepaid expenses	2,787
Miscellaneous deposit	8,069
Investment	1,913
	<u>3,300</u>

Total current assets

139,764

#### FURNITURE AND EQUIPMENT

Furniture and equipment	47,605
Less: Accumulated depreciation	<u>(35,644)</u>

Net furniture and equipment

11,961

#### OTHER ASSETS

Deposit at clearing house	25,000
Lease deposit	1,904
Deferred tax asset	<u>2,767</u>

Total other assets

29,671

#### TOTAL ASSETS

\$ 181,396

# SANSTRUM & ASSOCIATES, INC.

## BALANCE SHEET

December 31, 2002

### LIABILITIES AND STOCKHOLDERS' EQUITY

#### CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ 33,196
Commission payable	10,908
Income tax payable	<u>908</u>

Total current liabilities	<u>45,012</u>
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#### STOCKHOLDERS' EQUITY

Common stock – authorized 100,000 shares of no par value; issued and outstanding 10,000 shares	20,000
Additional paid in capital	14,000
Retained earnings	<u>102,384</u>

Total stockholders' equity	<u>136,384</u>
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#### TOTAL LIABILITIES

AND STOCKHOLDERS' EQUITY	<u>\$ 181,396</u>
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